

6th September 2019.

Dear Shareholder/Investor,

You have received an Air Future Ltd Information Memorandum where we are seeking to raise important working capital to advance our early stage commercialisation activities. Your investment will make a difference.

Here's Why

With renewable energy, as one of the most attractive investment options for today, seeking the appropriate long term parties to work with within energy and transport is our current focus and principal objective.



In our recent shareholder Newsletters we detailed ours and MDI's numerous activities such as the new requests for MDI GreenAir golf carts, buses, the presentation of the Veolia vehicle in Lille, the energy based AirLab Solar demonstration at Carros and the engine and AirPod manufacturing progress.

On the local front we referred to our focus on people and industry and the uniqueness and benefits of the MDI product for Australia, New Zealand and the Pacific Islands. Our activities at government level, the delivery of an MDI showcasing vehicle (GreenAir golf cart) during November/December, the development of our energy pilot demonstrating home solar storage and virtual power plant (VPP) applications and now our push towards public awareness of the uniqueness of the MDI product.



Why is an investment in Air Future attractive?

For investors: The ability to invest in a company commercialising state of the art, proven MDI technology that has fundamental applications in both transport, energy and energy storage. Air Future Ltd holds exclusivity rights for Australia, New Zealand and the Pacific Islands (population 42 million) with MDI protection through more than 55 patents. Export opportunity in co-operation with MDI. Access to new MDI Intellectual Property. The ability to develop new intellectual property and make it available to other MDI licensees. Multiple potential income flows from energy and transport activities.

For Customers: To access low cost renewable energy generation, clean air energy storage, and clean affordable transport.

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What are Air Future's technological advantages?

Core Technology

- A revolutionary lightweight easy to manufacture versatile engine.
- An engine that can replace all heat engines.
- Has particular applications in energy and transport extending from bicycles to buses, from simple home electricity generation to becoming a major contributor to providing Virtual Power Plants (VPP's).
- A manufacturing model that enables non centralised localised manufacturing.

Automotive



Scalable from Air Bike, to AirPod, to AirFamily, to Air MultiBus

The Engine

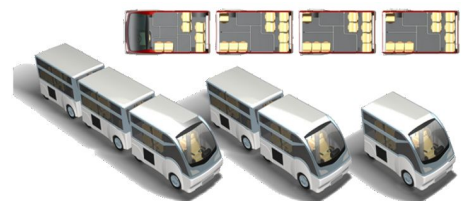
- Engines that run on air.
- Lightweight, simple and inexpensive to manufacture.
- Engines run cool. No cooling or internal combustion componentry required.
- Extreme fuel efficiency with an optional ability to increase driving range or more electricity delivery from on site storage through a versatile external burner that expands the air volume.
- Engines can be made small (Tuk Tuk) to large (buses, trucks, community electricity generation – VPP's) AirPod (7kW) to Bus (80Kw) and AirWall 7kW – 80kW to 500kW+ through banking (combining) of generation capability.

Factory Profitability

- Distributed manufacturing (small local factories) leading to rapid escalation and distribution.
- Profitability is not dependant on either state subsidies or tax breaks.
- Not dependant on substantial economies of scale with the 'break even' of manufacturing factories predicted at relatively low amounts – current model anticipates less than 500 vehicles for the AirPod2.

Transport

- From small to large. Consumer to Industrial.
- No dangerous emissions in inner city air only mode.
 - When burning a fuel there is virtually zero amounts of dangerous emissions of nitrous oxides (NOX) and unburnt hydrocarbons.
- Lightweight for efficiency and affordability.
- No batteries to regularly replace (cost savings) with 'air tanks' lasting 20,000 cycles (up to 50 years with 5 yearly tests).
- AirPod2 uses approximately 0.5 litre of fuel per 100 km in dual fuel mode.
- Real efficiencies between tank and engine outlet (crankshaft) more than 68%.
- Global system efficiency with 600°C in dual fuel – 50 to 67% and combustion efficiency of 96 to 98%. (Compared to conventional thermal engines with a yield around 10% in urban cycle).



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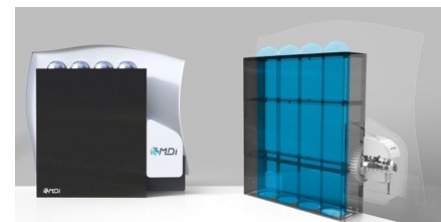
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- Rapid refilling of air tanks possible (2 to 3 minutes).
- Composite material for vehicle panel and chassis manufacture enable lightweight, rigid, with shock absorbing and stress resistant characteristics.

Energy

- Significant projected affordability advantage of compressed air energy storage over lithium ion batteries.
- Long life cycle of compressed air energy storage tanks (50 years) and low overall carbon footprint.
- MDI technology is available now.
- Cost advantages over hydrogen and lithium ion energy (electricity) storage products as energy storage requirement increases.
- Electricity generation and storage available on site with no major infrastructure requirement as is for hydrogen.
- In Australia the opportunity for new energy sources to replace coal is urgent.
- Demand requirements for electricity or storage can be matched through scaleable engines and alternator sizes and flexible energy storage provided to suit.



As a footnote here is an extract from MDI:

MDI ENGINE

INNOVATIVE TECHNOLOGY THAT ADDRESSES MAJOR ISSUES.

- ❑ “Global energy challenges call for new energy production and storage paradigms.
- ❑ To accumulate energy from a primary source and then use it with a very high conversion efficiency is the challenge that our concept of compressed air engines meets and achieves.
- ❑ Our reversible high-tech engines compress ambient air in approved tanks of various capacities at a pressure of 248 bar.
- ❑ The decompression of this stored energy in the form of movement allows you to replace all heat engines and cover any type of application: to move vehicles or to store and re-use electric energy.
- ❑ MDI customers will be able to fill the tank of their vehicle using a high pressure compressed air station in 2 minutes. Or recharge them at home from a simple electrical outlet 16 or 32 amps in 7h or 3h 30m (respectively) or in town on the networks of electric charging stations.
- ❑ Our concept of high efficiency engines provides the ability to serve many applications of multiple sizes, which can produce a few kilowatts to several megawatts.”

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Investment

- As a Company and combined with MDI we are introducing clean ‘MDI by Air Future Ltd’ solutions to New Zealand, Australia, the Pacific Islands and further afield with a ‘do it’ determination.
- The shift to renewable energy and transport is indisputable and the opportunity to share in the advantages of this transition at an early stage is seldom available to early stage public investors.
- The recognition of MDI as a foremost developer of conversion of compressed air as an energy carrier and capturing this technological advantage in a business model to be able to apply it to a wide variety of industrial applications is visibly being recognised (Tata Motors, Veolia, Expo 2020 Dubai).

We are keen to talk with you. Please call or email us for further information. We are enthusiastic about our opportunities.

For further information or to request an Information Memorandum please phone:

Air Future Ltd on 03 365 6485

Or email info@airfuture.co.nz Or phone or txt mobiles below.

Yours sincerely,

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In compliance with the Financial Markets Conduct Act 2013 to ensure that this newsletter is not taken as an offer document we are obliged to present the following statement

- (a) Please note that under this shareholder letter no money is currently being sought; and
- (b) that financial products cannot currently be applied for or acquired under the offer or intended offer; and
- (c) that, if the offer is made, the offer will be made in accordance with the above Act; and
- (d) the Company is seeking preliminary indications of interest and if you have an interest please request an Information Memorandum from the Company; and
- (e) Please note that no indication of interest will involve an obligation or a commitment to acquire the financial products.

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